

Handwritten signatures: "Lawrence" and "Goderich"

MEMORANDUM

For the information of the Legislative Council of Canada, in reference to the Canada Company's position with the Municipal District Council of the Huron District; to which is appended the Defence of the Canada Company, by Dr. Dunlop, M. P. P. (See Note.)

Dr. DUNLOP, in his statements, supports his measures by allegations not warranted by the real circumstances of the case. The statement submitted to counsel for opinion shows the details of the facts exhibited in substance in my printed exposition of 30th November last, and proves that the Canada Company were far from wishing to embarrass the District Council as to pecuniary matters; but, on the contrary, took every means for their relief consistent with the assertion of their own legal rights.

For example, the Company last year tendered the taxes for the years 1842 and 1843, under the Provincial Statutes 59 Geo. 3, chap. vii and viii, after the rate of 1-5th and 1-8th of a penny per acre, which, upon 650,000 acres, amounted to £1,625 0 0
The Canada Company also tendered to the Treasurer of the District, the tax of 1d. per acre imposed by the bye-law of 1844, amounting 2,183 10 5

Thus offering to the disposal of the Council, and refused by them £3,808 10 5

And this offer was made notwithstanding that the District Council was indebted to the Canada Company in the sum of £3,100, with interest, which was secured by bond, in which instrument provision was made for the retention by the Company of the accruing taxes, in payment of the debt and interest.

And the offer of payment was also made without prejudice to any claims, real or pretended, which the Council might set up to the taxes imposed by the bye-laws which have been found illegal.

The amount thus tendered without compromising any real or asserted right of the Council, would have been more than sufficient to relieve that body from its pecuniary difficulties, but its receipt would not have suited the objects of the District Council, which appears to have been the creation of ill feeling in the District against the Company, and to induce the settlers to believe that the embarrassments were created by the default of the Company, not by their own illegal and unjust proceedings. And further, they had it in view to subject the company to the surcharge or penalty of default in payment of taxes. For these purposes they permitted the seizure of the desks, &c., of the Council, suffered the officers and others dependent upon them to go unpaid, gave orders in anticipation of the taxes which fell into depreciation, and which have been bought and sold at prices varying with the hopes and fears of the dealers as to their ultimate or timely payment.

Dr. Dunlop made an attack upon the Company, in his speech in the Assembly last month, well calculated to create a strong prejudice against the Company; and the more mischievous and unfair, because he was the only person present who knew that his charges were unfounded.

He inveighed against the bad bargain the government had made with the Company, and he spoke of the large sum of money leaving the District, the produce of sales of the Company's lands. I happen to have in my possession his Defence of the Company in 1850, in manuscript, and signed by him; to this I invite the attention of those who take an interest in the subject. It is true so far as relates to the circumstances of the Company at that time; and I am able to add, from the accounts of the Company, that the amounts expended by them on account of their lands in the Huron Tract, up to the 31st December, 1844, were £407,928 c'y, whilst the produce of sales of land received by the Company up to that period did not suffice to cover expenses of management.

Had the bill introduced by Dr. Dunlop become law, the effect would have been to inflict upon the Company penalty and forfeiture, not for violation of law, but for acting according to law. The tax for 1842, which the bill was to make legal, imposed 1d. per acre for that year. The tax imposed by the bye-law of 1843, disallowed by the government, was only for 3d. But the bill, instead of making the smaller tax legal for 1843, extended the tax for 1842 to the year 1843, which would thus have added 53 1/3 per cent. to the taxation of the Company, which the District Council never had imposed or pretended to claim. The bill also assumes to render illegal bye-laws retrospectively legal; which would have the effect not only of obliging the Company to pay the taxes illegally imposed, but also to pay the penalties for disobedience to their bye-laws, at a time when they were confessedly illegal—a course of legislation unprecedented as it is unconstitutional and unjust. What would be said of a customs law which made an article contraband, and which subjected to forfeiture all of the same article that had been imported for three years before the law was passed.

It has been alleged that the Company interferred with the government to procure the disallowance of the bye-law for 1843. This is untrue. For the purpose of enlisting popular feeling against the Company, it has been said that the poor settler having been intimidated into paying his taxes, the Company should not have refused. But the only way the Company had to protect the

NOTE.—This Memorandum and Dr. Dunlop's Defence of the Canada Company had not, unfortunately, reached Montreal when the debates upon Dr. Dunlop's bill took place in the Legislative Council, otherwise it is believed that the sentiments expressed by some honourable members would have been very different from what they are reported to have been.